



THE CITY OF SAN DIEGO **MANAGER'S REPORT**

DATE ISSUED: October 24, 2001 REPORT NO. 01-231

ATTENTION: Natural Resources and Culture Committee
Agenda of October 31, 2001

SUBJECT: Process for Drafting Requests for Funding from State Budget for Park Projects

REFERENCE: Council motion adopting City Manager Report No. 01-021, dated February 7, 2001, directing staff to prepare a report to the Natural Resources and Culture Committee recommending revisions to the preparation and prioritization of City park project requests for consideration in the State Budget process.

SUMMARY

Issue - Should the City Council direct the Manager to proceed with revisions to the Process for Drafting Requests for Funding from State Budget for Park Projects as recommended in this report?

Manager's Recommendation - Direct the Manager to proceed with revisions to the Process for Drafting Requests for Funding from State Budget for Park Projects as recommended in this report.

Other Recommendations - None.

Fiscal Impact - None with this action.

BACKGROUND

On February 12, 2001, the City Council requested the City Manager to review the State Park Funding Process and return to the Natural Resources and Culture Committee with recommendations to revise the process and prioritize the project list.

Each year, the City Council provides the City's State Legislative Delegation (Delegation) with a

list of San Diego park projects for inclusion in the annual State budget. The Park and Recreation Department works with the Governmental Relations Department to ensure the project information is transmitted early in the budget process, and with sufficient information for members of the Delegation to submit the projects for consideration thru the "Member's Request" process typically included in State budget deliberations. The City's project list is based on legislative districts and is delivered to the City's state lobbying team in February each year. The lobbying team then meets with the respective Delegation member to garner support for the projects and their sponsorship of a Member Request. Some members may opt not to sponsor any of San Diego's proposed projects, while other members may initiate several Member Requests for City projects.

The City of San Diego has been successful in consistently receiving a large amount of the funding as compared to other cities statewide. For example, in the state budget adopted July 26, 2001 for the state Fiscal Year 2002 - 2003, the City received \$2,055,000 for 12 projects (refer to chart below). By comparison, the City of San Jose only received \$432,000 for 3 projects.

ANNUAL STATE PARK TRAILER BILL PROCESS CITY OF SAN DIEGO FUNDING RECEIVED		
<u>Fiscal Year</u>	<u>No. Of Projects</u>	<u>Funding Total</u>
1992	3	\$ 492,500
1993	None sponsored	\$ 0
1994	Governor Vetoed Bill	\$ 0
1995	Governor Vetoed Bill	\$ 0
1996	Governor Vetoed Bill	\$ 0
1997	2	\$ 185,000
1998	6	\$ 830,000
1999	10	\$ 1,178,500
2000	9	\$ 2,007,000
2001	18	\$16,001,525
2002	12	\$ 2,215,000
TOTAL:	60	\$22,909,525
		<i>(Average \$381,825 Per Project)</i>

DISCUSSION

The state funding process for park projects is dependent upon surplus funds being available in the State budget. In some previous years, the City has received a substantial amount of funding, and in other years no funding has been allocated. Because economic forecasts and state budget projections are completed in the early part of the calendar year, it is important for the City to proceed in the fall with its preparation of a park project list in order to be prepared to submit park projects early in the subsequent calendar year.

State legislators generally use the following criteria to determine which projects will be sponsored for funding in the State budget:

- Ability to construct projects quickly; ideally within 1-2 years from date of funding.
- Availability of local matching funds; the State prefers not to be the sole funding source.
- “Brick & Mortar” work preferred; funds are rarely awarded for planning (design) projects.
- Lack of other available funds; the State funds should not be used if other funding sources are available for the project.
- Generally, to be competitive, project funding requests should not exceed \$300,000 per project.
- Samples of previously funded projects include: children’s playground upgrades, picnic shelters, comfort stations and general park improvements.

The following process for submitting San Diego park projects to State legislators for funding consideration results in a list of projects from each Council District to the State legislators:

- Based upon input from the community and City Council offices, the Park and Recreation Department’s Development Office drafts a list of projects.
- A final list of projects is approved by City Council and then forwarded to the City’s Sacramento representative, who submits the projects to the San Diego Legislative Delegation in Sacramento.
- Community groups are informed via staff of the projects submitted and how to inform their state legislators of their support.
- The legislators select projects to sponsor in the early spring and compete with other legislators to ensure their projects are in the final budget package adopted by the Legislature and sent to the Governor in June.

In previous years, the project list forwarded by City Council to the Delegation included numerous projects submitted by communities and council offices. As a result, the Fiscal Year 2002 park project list included 91 projects. While each City Councilmember identified several high priority projects within the project list, legislators indicated that such a large project list can make it difficult for them to determine which projects are the highest local priorities for the limited funding available.

RECOMMENDATION

It is recommended that the Park and Recreation Department continue to work with community groups to create an Unfunded Park Improvements list (formerly known as the Twenty-year-Needs List) as a basis for park projects to submit for potential state funding. The process will follow the schedule identified below:

• August - September	Staff develops a list of potential projects, working with the community's Unfunded Park Improvements list
• September - October	Staff requests Council selection of priority projects via memo which includes projects identified in the community's Unfunded Park Improvements list
• November - December	Staff prepares cost estimates, gathers specific project information and begins preparing project packages based on Council's top three to five priority projects per District
• January	City Council approves project list and staff finalizes project packages
• February	Staff forwards project packages for the approved list to the City's representative, who submits the packages to the San Diego Legislative Delegation in Sacramento

The Unfunded Park Improvements list will be submitted to each Council office for review and selection of three (3) to five (5) priority projects within his/her District. Upon receipt of the Council members' selected priority projects, the Park and Recreation staff will submit a Manager's report for Council approval. Project packages, which will include project description, cost estimate, area demographics, letters of support, photographs, etc., will be submitted to the Delegation in February, allowing ample time for the legislator to prepare a "Member's Request" before the legislative deadline in April. As in the past, Community groups will be informed via staff of the projects submitted and how to inform their legislators of their support.

ALTERNATIVE

Direct Manager to continue the State park funding requests in the current manner.

Respectfully submitted,

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Director

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Park and Recreation Department
Director

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Senior Deputy City Manager

MCLATCHY/CW